

# PRESS RELEASE

December 17, 2002

**RE: UNITED STATES v. MOHAMED ALBANNA, ALI A. ALBANNA a/k/a ALI SALEH a/k/a ALI SALEH ALBANNA, and ALI TAHER ELBANEH**

United States Attorney Michael A. Battle announced today that **MOHAMED ALBANNA**, age 51, 167 Lehigh Street, Lackawanna, New York, **ALI A. ALBANNA a/k/a ALI SALEH a/k/a SALEH ALBANNA**, age 29, 58 Ingham Avenue, Lower, Lackawanna, New York, and **ALI TAHER ELBANEH**, age 52, 58 Wilkesbarre Street, Lackawanna, New York, were indicted by a federal grand jury on the charge of operating an illegal money transmitting business, in violation of Title 18, United States Code, 1960(a). Section 1960(a) carries a maximum penalty of five years in prison and a \$250,000 fine, or both. The Indictment also seeks the forfeiture of \$486,548.

It should be noted that the fact that a defendant has been charged with a crime . . . is merely an accusation and the defendant is presumed innocent until and unless proved guilty. (Disciplinary Rule 7-107(B)(6)).

According to Assistant United States Attorney Timothy C. Lynch, who presented the evidence to the grand jury, the Indictment charges that the defendants were operating an illegal money transmitting business between on or about August 30, 2002 and on or about December 14, 2002. It also charges that during the times relevant to the Indictment, the defendants were not licensed by the State of New York to operate a money transmitting business, as required by state banking laws, and were not registered with the United States Department of Treasury, as required by federal law and federal regulations.

The investigation revealed that this illegal money transmitting business was operated, in part, out of Queen City Cigarettes and Candy, a candy and cigarette wholesale store, located at 1282 Clinton Street, Buffalo, New York. Queen City Cigarettes and Candy is managed by **MOHAMED ALBANNA**. The Indictment discloses that the main objective of the illegal money transmitting business was to send money from the Western New York area to the Republic of Yemen. According to the Indictment, between the beginning of October 2002 and December 2002, the defendants sent approximately \$486,548 from the Western District of New York to Yemen.

U.S. Attorney Battle stated that the Indictment does not allege that any of the monies sent to Yemen were used to fund terrorists. U.S. Attorney Battle added, however, that illegal money transmitting businesses - sometimes called "hawalas" - are, by their nature, susceptible to abuse by criminal elements, and that is one of the reasons Congress has required such businesses to be licensed and registered. For this reason, U.S. Attorney

Battle emphasized that his office will continue to investigate and prosecute money transmitting businesses which operate in violation of New York State and Federal law.

The Indictment was the result of an investigation that is continuing by the United States Customs Service, under the direction of Special Agent in Charge Peter Smith, and the Internal Revenue Service, under the direction of Special Agent in Charge Stephen Pregozen and the Drug Enforcement Administration under the direction of Assistant Special Agent in Charge John J. Bryfonski, and several other federal, state and local law enforcement agencies, including but not limited to the FBI, Immigration and Naturalization Service, New York State Police, Niagara and Erie County Sheriffs Departments, Lackawanna, Buffalo and Niagara Falls Police Departments. Customs Special Agent in Charge Peter J. Smith stated that, "This investigation into Queen City Cigarettes

and Candy was coordinated by Operation Green Quest, a U.S.Customs-led national task force, created by the Treasury Department in October 2001. Operation Green Quest investigates and scrutinizes underground financial systems.” Assistant United States Attorney William J. Hochul, Jr. assisted in the investigation and will assist in the trial of this case.

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